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JUN 15 2007

BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of Wisconsin Gas LLC, as a Gas Public Utility, for  
Authority to Construct Natural Gas Lines in Dodge and Washington  
Counties, Wisconsin, for the Purpose of Connecting its Existing  
Natural Gas Distribution Systems in the Hartford and West Bend Areas  
to a Proposed Expansion of the Guardian Pipeline

6650-CG-220

### FINAL DECISION

This is the Final Decision in the application of Wisconsin Gas LLC (WG or Applicant) for authority to construct natural gas lines and associated facilities in Dodge and Washington Counties, for the purpose of connecting its existing natural gas distribution systems in the Hartford and West Bend areas to a proposed expansion of the Guardian Pipeline LLC (Guardian) system, as well as to construct a gas line to interconnect the Hartford and West Bend distribution systems.

The application is APPROVED, subject to conditions.

### Background

On October 5, 2006, WG, as a natural gas public utility, filed with the Commission an application under Wis. Stat. § 196.49 and Wis. Admin. Code § PSC 133.03. The application seeks authority to construct a 10-mile gas line to connect its existing Hartford and West Bend distribution systems to a proposed expansion of the Guardian interstate pipeline, often referred to as Guardian II, as well as to construct a 4-mile gas line to interconnect the Hartford and West Bend distribution systems. Guardian's application to construct a 110-mile expansion of its

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existing pipeline from the Ixonia area to the Green Bay area is currently being reviewed by the Federal Energy Regulatory Commission (FERC).

WG's application was reviewed jointly with a natural gas construction application filed by Wisconsin Public Service Corporation (WPSC) in docket 6690-CG-160 and a joint application filed by WG and Wisconsin Electric Power Company (WEPCO) in docket 5-CG-103, seeking authority to also construct laterals to connect portions of their existing distribution systems to the Guardian II expansion.

On November 21, 2006, the Commission issued a Notice of Proceeding and Prehearing Conference in the docket. WG is a party to the proceeding. Other parties include ANR Pipeline Company (ANR), Wisconsin End-User Gas and Electric Association, and Wisconsin Paper Council.

A technical hearing was held on March 15, 2007. Public hearings were held in De Pere and Fond du Lac on March 20 and March 21, 2007. Many potentially affected landowners and utility customers testified at the public hearings and filed written comments.

The Commission considered WG's application at its open meeting on May 31, 2007. Commissioner Lauren Azar recused herself from participating in the discussions and decisions regarding this docket.

### **Findings of Fact**

1. There is a need for additional interstate pipeline capacity to serve Wisconsin.
2. There is a need for the proposed facilities and the project is cost effective.

3. WG's lateral would connect to the proposed Guardian II expansion to provide an alternate physical path along which natural gas can flow to Applicant's distribution system, thereby improving Applicant's ability to meet customer demand for natural gas.

4. The co-existence of the connecting laterals and Guardian II with the existing ANR pipeline system would improve the security and reliability of WG's natural gas supplies relative to the levels associated with ANR alone.

5. The connecting laterals and Guardian II would provide a competitive alternative for interstate natural gas transportation.

6. When the proposed project is placed in operation, the increase in value or available quantity of service will be at least as great as the addition to Applicant's cost of service associated with the proposed project.

7. The efficiency of the service that the Applicant provides will not be diminished by the completion of the proposed project.

8. The proposed project will not provide facilities unreasonably in excess of WG's probable future requirements.

9. There is a positive net present value associated with the construction of the proposed project.

10. Upon review, the plans, specifications, and estimated costs of the proposed project are reasonable.

11. Neither energy conservation, renewable resources, or other energy priorities listed in Wis. Stat. §§ 1.12 and 196.025 would be a cost effective alternative to the proposed project.

12. It is reasonable to defer any decision concerning WG's ability to recover contract overlap costs until an applicable gas supply plan filing.

13. It is reasonable to require WG to install pig launchers and receivers as described in the Discussion section of this Final Decision.

14. No significant environmental consequences are associated with the proposed project.

15. No significant risk of flooding is associated with the proposed project.

16. The construction of the proposed project will not affect any historic properties.

### **Conclusions of Law**

1. WG is a public utility as defined in Wis. Stat. § 196.01(5)(a) and is required to obtain a certificate of authority for its proposal under Wis. Stat. § 196.49(3) and Wis. Admin. Code § PSC 133.03(1)(h).

2. The Commission has authority under Wis. Stat. §§ 1.11, 29.604, 44.40, 196.02, 196.395, 196.40, and 196.49, and Wis. Admin. Code § PSC 133.03, to issue a certificate of authority and order, with conditions, authorizing WG to construct the proposed project as described in the Discussion section of this Final Decision.

3. The proposed project is reasonable and appropriate under Wis. Stat. § 196.49.

### **Discussion**

#### **The Applicant and Its Project**

WG is a gas public utility as defined in Wis. Stat. § 196.01(5)(a) and is engaged in the business of selling and distributing natural gas to the public in areas throughout Wisconsin. WG

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proposes to construct natural gas lines for the purpose of connecting its existing natural gas distribution system to the proposed extension and expansion of the Guardian natural gas pipeline. Guardian proposes to expand the delivery capability of its existing interstate pipeline by 437,200 dekatherms (Dth) per day<sup>1</sup> with the construction of two new compressor stations along its existing facilities, and to extend its pipeline by constructing 110 miles of new pipeline from Ixonia to Green Bay. The proposed extension of the Guardian pipeline is subject to the approval of FERC and is not the subject of this proceeding.

WG's proposed construction (collectively referred to as the Hartford/West Bend project or the proposed project) would be located entirely within WG's service territory in Dodge and Washington Counties and consists of two segments. The Hartford segment is 10 miles in length and would connect the existing Hartford distribution system to the Guardian extension; the West Bend segment is four miles in length and would connect the existing Hartford and West Bend distribution systems.

The Hartford segment would involve construction of about 10 miles of 12-inch diameter steel gas pipeline. The Hartford segment would start at a new meter station that Guardian would construct along its new pipeline extension. The meter station would be west of the intersection of Oaklawn and North Garfield Roads in the town of Hustiford, Dodge County. The Hartford segment of WG's lateral would extend eastward, generally paralleling Oaklawn, Grant, Butler and Arthur Roads. The eastern end of the Hartford segment would be near the intersection of Arthur Road and State Highway 83 in the town of Hartford, Washington County. At this location the new lateral would connect into WG's existing Hartford area distribution system.

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<sup>1</sup> A supplemental RFP in March 2005 increased the total requested service quantity to 537,200 Dth per day.

The West Bend segment would involve construction of about four miles of 12-inch diameter steel pipeline within the right-of-way (ROW) of County Trunk Highway (CTH) G in Washington County. The southern end of this segment would be near the intersection of CTH G and Pleasant Valley Road in the town of Jackson. The northern end of this segment would be near the intersection of CTH G and CTH I in the city of West Bend. This lateral would connect WG's existing distribution system in the West Bend area with its distribution system serving the Hartford, Slinger and Jackson areas, which would allow natural gas delivered to WG from the new Guardian pipeline to be moved into the West Bend area.

Pursuant to Wis. Stat. § 196.49 and Wis. Admin. Code § PSC 133.03(1)(h), a natural gas utility must obtain a certificate from the Commission authorizing it to construct, install, and place in operation any single gas line project, the cost of which exceeds \$600,000 or 4 percent of the utility's gross gas operating revenue received during the previous calendar year, whichever is less. The estimated cost of the Hartford/West Bend project is \$16.9 million.

### **Need for the Project**

The proposed Guardian Pipeline expansion and the WG connecting lateral project are needed to accommodate WG's growth in natural gas demand and to enhance the security and reliability of its natural gas deliveries. The proposed lateral project will provide increased pipeline competition at a positive net present value.

WG has subscribed to 90,105 Dth of the 537,200 Dth per day Guardian II capacity that would be added to Wisconsin. As part of its application, WG submitted an analysis of the need for additional natural gas transportation capacity in the state of Wisconsin. This analysis, based on historical growth, projections of future growth including electric generation use, and other

publicly available data concluded that there was a need for additional pipeline capacity. Part of the needs analysis reflects the impact of the original construction of the Guardian Pipeline. That project added 750,000 Dth per day of additional capacity into Wisconsin in 2002. At that time, it was expected that there would be excess capacity into the future; however, that capacity, as well as an additional 200,000 Dth per day added by ANR and Northern Natural Gas Company since the original Guardian Pipeline's construction, is effectively sold out.

This analysis was reviewed by the Commission staff, who found it to be reasonable. No party to this proceeding has disputed the need for additional capacity, and the Commission is persuaded by the record that a need for additional capacity exists.

#### **WG's Process Used to Select Guardian II and the Connecting Laterals (RFP Process)**

The Applicant, along with WPSC, WEPCO, and Wisconsin Power and Light Company,<sup>2</sup> solicited bids for additional capacity and, following a review of the responses, accepted a proposal from Guardian. The criteria of the requested proposals, along with the bid process, are included in the application in this docket. In addition, the Applicant submitted a series of present value analyses comparing the Guardian proposal to other available alternatives. The analyses and bid process were reviewed by Commission staff, who found them to be reasonable. The methods and specific analyses utilized by WG are consistent with methods and analysis typically used by Commission staff when evaluating the cost effectiveness of a proposed natural gas construction project. WG's analyses show that the proposed project will have positive net

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<sup>2</sup> Wisconsin Power and Light Company was originally part of the multiple utility group soliciting bids for capacity. Wisconsin Power and Light Company subsequently withdrew and was not part of further negotiations and proposed contracts.

present values over a range of assumptions. The Commission is persuaded by the record that both the process and the selection of Guardian as the successful bidder are reasonable.

The Guardian proposal was structured in such a way as to separate the Guardian II project from the construction of the laterals necessary to connect to the utility distribution systems and to require WEPCO, WG, and WPSC (the Utilities) to construct and own the connecting laterals that are the subject of this proceeding, and dockets 6690-CG-160 and 5-CG-103.

Sometime after the Utilities completed the bid process and Guardian II was selected as the best alternative over ANR and the other bidders, ANR submitted an unsolicited proposal to WG, WEPCO, and WPSC which would provide an alternative to the construction of the proposed connecting laterals. In lieu of the laterals, ANR proposed to provide short haul transportation service from an interconnection with the Guardian extension to existing points of interconnection between ANR and the Utilities' distribution systems. Under this proposal, ANR's transportation would be between each utility's distribution system and Guardian, and would substitute for the Utilities constructing, owning and operating the connecting laterals. ANR presented an analysis indicating that this would be a less expensive alternative than the Utilities' proposed construction and would cause less environmental disruption. WG presented its own analyses of ANR's short haul proposal using various assumptions, and these analyses show that utility construction and ownership of the connecting laterals is more cost effective than contracting with ANR for short haul transportation.



ANR also criticized WG's analysis showing Guardian to be the most economical alternative on the grounds that it ignored or understated certain costs and unfairly allocated costs of the laterals to transportation customers.

Commission staff reviewed the competing cost analyses that are part of the record, including the cost assumptions and the allocation issue. Commission staff's review of ANR's short haul proposal found that it contained a number of unreasonable assumptions, and it was not a viable alternative. Commission staff testified that WG's analyses are reasonable, and that the allocation method is both reasonable and consistent with past Commission ratemaking practice. The Wisconsin Paper Council, whose members are mainly natural gas transporters that would be allocated costs associated with the laterals under WG's proposed method, testified that they were aware of the potential costs to them of the lateral projects, and are nonetheless in favor of WG's proposed construction projects.

The Commission is satisfied that the record demonstrates that WG's proposal is cost effective and reasonable. The Commission is not persuaded that ANR's analysis is realistic.

### **Other Benefits**

In addition to the economic analyses performed to support its decision to contract with Guardian for the additional pipeline capacity, WG considered a number of other benefits that arise from the selection of Guardian II and the connecting laterals. These benefits apply not only to the system sales customers of WG and the other Utilities, but also to transportation customers in Wisconsin that are responsible for their own natural gas and transportation procurement.

WG claimed that a new interstate pipeline serving eastern Wisconsin, north of Milwaukee, would improve the reliability and security of natural gas deliveries to its distribution

system. ANR countered that WG did not demonstrate that ANR's system used to serve WG is not sufficiently reliable or that any enhanced reliability that may result from the redundant capacity could justify its cost. The record in this proceeding supports WG's contention that Guardian II along with the connecting laterals proposed by WG would likely result in improved reliability and security of natural gas transmission in eastern and northeastern Wisconsin, at a reasonable cost.

WG also contended that Guardian II would improve its ability to serve future load growth in a timely manner and at competitive rates. The record shows that Guardian and the proposed connecting laterals are designed to accommodate low cost future expansions through the installation of one or more mid-line compressor stations, which would allow for significant market expansion to be served without the need to install additional mainline pipeline facilities north of Ixonia.

WG points out that the rates available from Guardian II may well be a one-time opportunity due to a number of factors. First, the existing Guardian pipeline system has the ability for extremely low cost expansion between Joliet, Illinois and Ixonia, Wisconsin, primarily with the addition of compression and no costly looping of pipeline facilities. If the Utilities did not take advantage of this low cost pipeline capacity with Guardian II, Guardian may eventually sell the incremental capacity to other markets in northern Illinois or southeastern Wisconsin. Next, the joint participation of WEPCO and WPSC with WG resulted in economies of scale and reduction of unit costs that was only possible with the aggregate of the volumes being acquired by all three utilities. It is not clear that this joint participation would be possible in the future.

### **Contract Overlap Costs**

It is anticipated that Guardian II and the connecting laterals will be available on November 1, 2008. However, there is no guarantee that Guardian II or the connecting laterals will be available on that date. In this situation, it is not unusual for natural gas utilities to incur gas transportation capacity contract overlap costs. WG requested Commission approval for the cost recovery of contract overlap costs that may arise due to Guardian II and the proposed connecting laterals.

The record shows that WG has taken steps to minimize contract overlap costs associated with Guardian II. Such issues, though, are typically reviewed in a comprehensive manner in the context of a utility's annual gas supply plan. It is reasonable for WG to continue managing these costs to minimize any ratepayer impacts, and to defer any decision concerning WG's recovery of contract overlap costs until an applicable gas supply plan filing review.

### **Alternatives**

To increase natural gas transportation capacity, there is no viable alternative to the proposed project. It is unlikely that renewable resources, other forms of generation or additional energy conservation would be a cost-effective alternative. No special circumstances exist that would lead a decision-maker to conclude that additional conservation activities, renewable resources, or any other energy priorities listed in Wis. Stat. §§ 1.12 and 196.025 would be a reasonable alternative to this project.

### **Routing and Construction**

Prior to the filing of the application, a great deal of work was done to develop potential routes for the gas lines. WG worked with Commission and Department of Natural Resources

(DNR) staff to develop proposed routes by evaluating important factors including environmental impacts, landowner impacts, engineering, and safety. Existing corridors, such as transmission lines and roadways, were followed where feasible. WG has worked with and continues to work with potentially affected landowners to minimize any adverse impacts. Several changes to the proposed route for the Hartford/West Bend lateral have been suggested by landowners, which are described below.

The project application included numerous proposed construction methods and environmental mitigation practices. Some of these were updated or added to during the project review and hearing process. The reviews and evaluations of the proposed project assumed these methods and practices would be followed. It is reasonable to require that all construction and environmental mitigation methods included in the project application, as modified during the project review and hearing process, be followed when constructing the proposed project, unless specifically modified by this Final Decision or related DNR permits. Also, it is reasonable to require that the project be constructed in accordance with all applicable state and federal pipeline safety provisions, including Wis. Admin. Code ch. PSC 135 and 49 CFR Parts 192 and 199.

### **Construction Method for Crossing Woodland Creek and Associated Wetlands**

The Hartford segment of the proposed project requires a crossing of Woodland Creek and associated wetlands. WG initially proposed crossing Woodland Creek and wetland using an open trench method (Alternative 1). In rebuttal testimony, WG changed its proposal to horizontal directional drill (HDD) installation (Alternative 2) in response to DNR permissibility concerns. DNR permit staff noted in testimony that the initial WG proposed crossing method

using open trenching (Alternative 1) may not be permissible, but that the WG-modified crossing method using HDD installation (Alternative 2) is permissible.

Construction using Alternative 2 would still require clearing of about two acres of woodland. DNR staff recommended that the route through the wooded area be shifted slightly to place the clearing at the woodland's edge rather than having it set back into the forest block.

WG developed preliminary information on several potential route modifications that would avoid the need to cross the stream and wetland and to avoid any woodland clearing. Two of the options considered, Alternatives 4 and 5, both route the pipeline around the south end of the wetland/stream complex. The initial evaluation of these alternatives identified significant unknown issues with construction through an organic farm, which questioned their viability as options. DNR staff noted that, while from a wetland and waterway perspective, there was still a preference for choosing Alternative 4 or 5, the organic farm crossing could raise issues that make these alternatives not practicable.

An additional option in this area, Alternative 3, consisted of a long HDD under a wide portion of the wetland. This alternative was significantly more expensive than the other options evaluated, and no one recommended it be selected.

The Commission determines that it is reasonable for WG to construct the proposed pipeline across the Woodland Creek and wetland using the HDD crossing method and alignment proposed by WG as Alternative 2.

### **Route on Klink Properties**

The Hartford segment of the proposed project crosses a stretch of land belonging to the Klink Trust and the Joseph Klink Trust (the Klink property). Members of the Klink family

stated that the proposed route crosses the property through the middle of currently farmed fields, but the family is planning to develop the property for residential lots. The route as proposed would hinder this development. Family members requested WG alter the route to accommodate their plans and offered a number of suggested route modifications. A WG witness stated that WG is willing to modify the route, moving it southward to a 50-foot wide permanent easement on the Klink property adjacent to the north side of Butler Road. This adopts a portion of one option suggested by the Klink family, but does not include the requested narrowing of the permanent easement or overlapping the permanent easement with the road ROW. WG also noted it would continue to work with the landowners to achieve a reasonable routing solution.

The Commission determines that, in order to minimize landowner impacts, it is reasonable for WG to modify the proposed route across the Klink property to shift the route southward to a 50-foot wide permanent easement adjacent to the north side of Butler Road, without any overlap with the road ROW.

#### **Route on Leuder, Sheldon, and Ziegelbauer Properties**

The Hartford segment of the proposed project crosses a stretch of land belonging to three adjacent landowners, Lueder, Sheldon, and Ziegelbauer. These landowners state that the proposed route crosses their properties through the middle of currently farmed fields, but that they are planning to build new buildings on the properties. Sheldon is also planning to convert his property to an organic berry farm. The route as proposed would conflict with the planned buildings and may hinder organic certification. The three landowners requested that WG alter the route to accommodate their plans and offered a number of route suggestions. A WG witness stated that WG is willing to modify the route, similar to one of the suggested route modifications,

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moving it to a 50-foot wide permanent easement adjacent to the north boundary of the Sheldon and Ziegelbauer properties, then continuing into the Lueder property. WG also noted it would continue to work with the landowners to achieve a reasonable routing solution.

The Commission determines that, in order to reduce landowner impacts, it is reasonable for WG to modify the proposed route across these properties to shift the route northward to a 50-foot wide permanent easement adjacent to the north boundary of the Sheldon and Ziegelbauer properties, then continuing into the Lueder property.

### **Archeological and Historical Resources**

Wisconsin Historical Society (WHS) records include two listed archeological sites that may be in the immediate vicinity of the route of the Hartford segment of pipeline (WHS site references DO-0140 and DO-0470). Both sites are identified as unknown prehistoric campsites/villages with only vague location information. The general locations of the two sites are active agricultural lands. It is not possible to identify any clear risk to these sites from construction of the proposed pipeline, given the overall lack of information about the sites. WG has proposed to have a qualified archeologist perform a Phase I site investigation along the pipeline route prior to construction. If remnants of either site are found during the Phase I survey, methods would be developed to avoid impacts to the site or sites prior to construction and subject to further Commission approval.

No other known archeological or other historic resources were identified in WHS records that appear to be at risk from construction of the proposed Hartford/West Bend lateral.

### **Construction Practices Related to Oak Wilt**

The construction of the proposed gas lines would require cutting and trimming of trees, including oaks. Oak trees are susceptible to a fungal disease known as oak wilt. The cutting and trimming of oak trees can contribute to the spread of the disease. A variety of tree cutting and trimming practices have been developed to help reduce the spread of oak wilt. DNR recommended that the Applicant be required to follow a set of oak wilt management practices described on DNR's website. A WEPCO/WG witness responded that the oak wilt management practices contained in Wis. Admin. Code § PSC 113.0511, which were developed for electric utility tree clearing and pruning activities, would be more appropriate than the general guidelines published on DNR's website. DNR staff noted that the Wis. Admin. Code § PSC 113.0511 requirements for electric utilities are similar to DNR's website guidelines for work in urban areas, but are less restrictive for work in rural areas (requiring protection of exposed tree surfaces rather than limiting cutting or trimming at certain times of the year). The principal concern expressed by WEPCO/WG is the greater potential for project delays in rural areas if the website guidelines were followed due to the periods of restricted cutting or trimming. The Commission noted that it previously established for electric utilities the practices contained in Wis. Admin. Code § PSC 113.0511, and that it is reasonable to require WG to follow these oak wilt management practices during construction of the proposed gas lines.

### **Pig Launchers and Receivers**

Current pipeline safety codes require that all new transmission lines be designed to permit the passage of internal instrumented inspection devices. These devices are commonly referred to as "pigs." In its application, WG proposed not to install pig launchers or receivers.



WG proposed designing the gas line to accommodate the use of temporary launchers and receivers in the future, but not to actually install the equipment during the initial construction. In deciding to require WG to install the launchers and receivers, the Commission determines that the current pipeline safety codes require the use of launchers and receivers wherever possible. The Commission, therefore, is requiring WG to install launchers and receivers on the Hartford segment of the Hartford/West Bend project.

### **Route Flexibility**

The WG application provided detailed graphical representations showing the locations for the proposed gas lines. The evaluation of the project was based on these described centerlines. It is reasonable to provide WG some level of flexibility to make minor changes to the routes as depicted in the applications, either to accommodate landowner requests or to resolve a construction difficulty that may not yet be identified. WPSC, WEPCO/WG, and Commission staff all described possible route flexibility approaches in testimony. The slightly different approaches had similar basic components.

The Commission will allow a route flexibility provision that includes the following:

- 1) Allow route changes up to 100 feet from the proposed route if no new landowners are affected and no sensitive resources are impacted.
- 2) Allow changes of more than 100 feet if no new landowners are affected, affected landowners grant written approval of the change, and no sensitive resources are affected.
- 3) Any other changes require Commission-delegated approval by the Administrator of the Gas and Energy Division.

**Environmental Assessment**

The proposed project has been reviewed by the Commission for environmental impact. The construction of the proposed facilities would not have any undue adverse impacts on human or natural environments. This is a Type II action under Wis. Admin. Code § PSC 4.10(2). An environmental assessment (EA) was prepared to determine if the preparation of an environmental impact statement (EIS) is necessary under Wis. Stat. § 1.11. The EA also considered the related laterals off the Guardian expansion proposed by WPSC and WG/WEPCO in dockets 6690-CG-160 and 5-CG-103. The Commission has determined that no significant environmental impacts are likely. Therefore, an EIS is not required.

The proposed project was reviewed for potential flood hazard exposure per Executive Order 73 (1985). As no flood-sensitive facilities are to be located in or near any designated floodplain or flood prone areas, there is no significant flood risk to the proposed project.

The construction of the proposed project is not expected to affect any historic properties under Wis. Stat. § 44.40.

The proposed project is needed to provide adequate and reliable service to present and future natural gas customers.

Nothing in this Final Decision authorizes WG to waive filed extension rules; to purchase additional transportation capacity, balancing, storage, or other pipeline services; or to obtain Purchased Gas Adjustment (PGA) recovery of the costs of additional natural gas supply.

In order to allow WG to efficiently schedule pre-construction activities, it is reasonable for this Final Decision to be effective on the date of mailing.

### **Certificate**

WG, as a gas public utility, may construct facilities in Dodge and Washington Counties for the purpose of connecting its existing natural gas distribution systems in the Hartford and West Bend areas to a proposed expansion of Guardian, as well as to interconnect the Hartford and West Bend distribution systems, as described in the Discussion section of this Final Decision. The Commission grants WG a certificate and authorizes WG to proceed with the proposed project, subject to the conditions in this Final Decision.

### **Order**

1. WG may construct the proposed facilities in Dodge and Washington Counties as described in its application and the Discussion section of this Final Decision (approved project), and is granted a Certificate of Authority for the approved project subject to the conditions in this Final Decision.

2. WG may not proceed with construction of the approved project if Guardian does not proceed with its related expansion project.

3. WG shall implement all construction and environmental mitigation methods included in the project application, as modified during the project review and hearing process, when constructing the approved project, unless specifically modified by this Final Decision or related DNR permits. WG shall also construct the approved project in accordance with all applicable state and federal pipeline safety provisions, including Wis. Admin. Code ch. PSC 135 and 49 CFR Parts 192 and 199.

4. WG shall construct the approved Hartford pipeline segment across the Woodland Creek and wetland using the HDD crossing method and alignment proposed by WG as Alternative 2.

5. WG shall modify the proposed route across the Klink property, as described in the Discussion section of this Final Decision, to shift the route southward to a 50-foot wide permanent easement adjacent to the north side of Butler Road, without any overlap with the road ROW.

6. WG shall modify the proposed route across the Lueder, Sheldon, and Ziegelbauer properties, as described in the Discussion section of this Final Decision, to shift the route northward to a 50-foot wide permanent easement adjacent to the north boundary of the Sheldon and Ziegelbauer properties, then continuing into the Lueder property.

7. WG shall continue to work with affected landowners to minimize landowner impacts, subject to engineering, environmental and economic constraints.

8. WG, prior to construction, shall have a qualified archeologist survey the project route for any remnants of archeological sites DO-0140 and DO-0470 and shall receive further Commission approval of additional impact mitigation measures if any site remnants are located.

9. WG shall implement, during construction of the approved project, oak wilt management practices equivalent to those required in Wis. Admin. Code § PSC 113.0511 for electric utility ROW work.

10. WG shall be required to install pig launchers and receivers on the Hartford segment of the approved project as described in the Discussion section of this Final Decision.

11. WG may, without further Commission approval, move the location of the pipeline up to 100 feet from the approved centerline if no new landowners are affected and no sensitive resources are impacted. WG may, without further Commission approval, move the location of the pipeline more than 100 feet from the approved centerline if no new landowners are affected, the affected landowners grant written approval of the change, and no sensitive resources are affected. WG shall request and receive from the Gas and Energy Division Administrator written approval consistent with this Final Decision for all other route variations.

12. WG shall notify and obtain approval from the Commission before proceeding with any substantial change in the design, size, cost, or location of the approved project.

13. This Final Decision shall be effective on the date of mailing.

14. WG shall notify the Commission within five working days of the date actual, on-site, physical construction of the approved project is started; shall submit progress reports at 30-day intervals thereafter until the work is completed; and shall also notify the Commission within 20 working days after the approved facilities are placed in service.

15. WG shall file a report with the Commission promptly upon completion of construction of the approved project. The report shall include the final costs for the approved project segregated by plant account, a table comparing the estimated and actual costs for each of the major components, a table comparing the estimated and actual footage and the actual cost for each type and size of pipe installed, and an explanation of any significant variation between the authorized and actual cost.

16. If WG does not begin on-site physical construction within one year from the effective date of this Final Decision, the certificate authorizing the approved project shall

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become void unless WG files a written request for an extension of time with the Commission before the date on which the certificate becomes void and an extension of time is granted by the Commission.

17. If WG has not begun on-site physical construction and has not filed a written request for an extension before the date the certificate becomes void, WG shall inform the Commission of those facts in writing within 20 working days after the date on which the certificate becomes void for the approved project.

18. Jurisdiction is retained.

Dated at Madison, Wisconsin, June 15, 2007

By the Commission:

Sandra J. Paske  
Sandra J. Paske  
Secretary to the Commission

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See attached Notice of Appeal Rights

Notice of Appeal Rights

Notice is hereby given that a person aggrieved by the foregoing decision has the right to file a petition for judicial review as provided in Wis. Stat. § 227.53. The petition must be filed within 30 days after the date of mailing of this decision. That date is shown on the first page. If there is no date on the first page, the date of mailing is shown immediately above the signature line. The Public Service Commission of Wisconsin must be named as respondent in the petition for judicial review.

Notice is further given that, if the foregoing decision is an order following a proceeding which is a contested case as defined in Wis. Stat. § 227.01(3), a person aggrieved by the order has the further right to file one petition for rehearing as provided in Wis. Stat. § 227.49. The petition must be filed within 20 days of the date of mailing of this decision.

If this decision is an order after rehearing, a person aggrieved who wishes to appeal must seek judicial review rather than rehearing. A second petition for rehearing is not an option.

This general notice is for the purpose of ensuring compliance with Wis. Stat. § 227.48(2), and does not constitute a conclusion or admission that any particular party or person is necessarily aggrieved or that any particular decision or order is final or judicially reviewable.

Revised 9/28/98